

## RESOLUTION 08-36

### RESOLUTION SUPPLEMENTING EXISTING AUTHORITY FOR CREDIT FACILITIES

WHEREAS, the Board of Directors have previously enacted Resolutions 08-03 and 08-04, which, among other things, authorize the California Housing Finance Agency (the "Agency") to engage in short term borrowing regarding the Agency's single family and multi-family bond funded programs respectively; and

WHEREAS, as a result of recent disruptions in the bond and capital markets the Agency needs to retire and restructure existing variable rate bond indebtedness that has reset at high rates of interest, as well as bonds that have been put to liquidity providers as bank bonds ; and

WHEREAS, the Agency needs additional sources of liquidity beyond those authorized as recited above, with additional permitted uses, to be able to effectively accomplish the needed restructuring in the current marketplace; and

WHEREAS, the Agency believes that such liquidity will help the Agency restructure existing debt and take such other actions as may be necessary to deal with the disruptions in the bond and capital markets ; and

WHEREAS, the Board of Directors wishes to supplement the authority in Resolutions 08-03 and 08-04 to specifically authorize the Executive Director and other officers to obtain additional lines of credit or other credit facilities, and to use such credit for the purpose of debt restructuring and related purposes, including, but not limited to the purchase or the redemption of existing bonds and the acquisition of bank bonds;

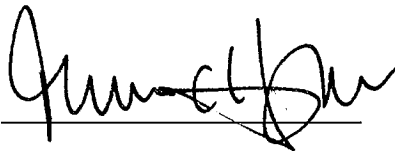
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors as follows:

1. The Executive Director and the other officers of the Agency are hereby authorized to enter into, for and in the name and on behalf of the Agency, one or more additional short-term or long term credit facilities from any available sources, not to exceed the sum of \$2 billion , for the purposes of enabling the Agency to restructure existing debt and related purposes, including, but not limited to, the redemption of existing bonds and the acquisition of bank bonds.

2. The Executive Director shall report to the Board at subsequent meetings regarding any credit facilities obtained by the Agency, as well as the draws upon such facilities and the use of such funds.

3. Prior to the use of any additional credit facilities, the Executive Director shall prepare and present to the Board, and thereafter periodically update, a plan demonstrating how additional facilities, depending on the amount of the facilities secured, shall be used to produce the maximum possible benefit in reducing the Agency's costs and risks, on both a short-term and a long-term basis. The plan shall also prioritize the use of additional facilities to address the most critical and timely problems the Agency faces.

I hereby certify that this is a true and correct copy of Resolution 08-36 adopted at a duly constituted meeting of the Board of Directors of the Agency held on October 20, 2008, at Sacramento, California.

ATTEST: 

Secretary